

**EXHIBIT 11**

Motorola/Indala...Ken Thompson

408 383 7941

7/12/95

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2/4

July 12, 1995

Ken Thompson  
 Technical Operations Manager  
 Motorola Indala Corp.  
 3041 Orchard Parkway  
 San Jose, Ca. 95118  
 ph 408 383 4092  
 fax 7941

Keith Leighton  
 2817 Fulmer Rd.  
 Lorain, OH. 44053  
 ph 216 960 1697  
 wk 631 7710  
 fax 960 2335

Keith,

We have reviewed your request for the \$1500 bonus for ISO card production. Jean-Marc and I agree that regardless of the tooling situation to produce 10,000 cards, the process which you developed over the course of 5 weeks is not deemed an acceptable "production process" due to the <24% yield. I think you would agree that a company cannot successfully compete in todays marketplace with a manufacturing yield of <95% for this type of product.

Please review the below "deliverables list" that you signed prior to us issuing a P.O. for your services. The status on all issues is highlighted in *italics* print. As you can see, most of the items were not completed, but our position is that not items needed to be completed to sucessfully receive the \$1500 bonus.

Keith, if you feel that you have additional information that you may want to share with us on the \$1500 bonus issue, please let me know. At this time, we are not in the position to entertain a potential solution to our card lamination thru contracted process developmen unless we are convinced it has a high probability of success. I look forward to hearing from you.

Regards,

Ken Thompson

cc: Jean-Marc Delbecq  
 Jaime Martorell  
 Brad Kolb  
 Noel Eberhardt

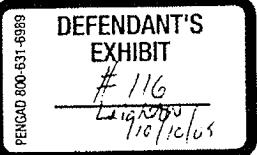
--- Motorola Indala Confidential and Proprietary --

Motorola/Indala - Non-Proprietary 404383 01/26/2007 01/21/95 10:53 PM D3/4

**• Deliverables Keith Leighton to Motorola Indala for Services (re-send 3/21/95) •**

The items to be included in quote as basis for payment must include the following deliverables.

1. Materials
  - a. complete specification of all materials to include thicknesses and tolerances, chemical make-up, vendor part number, sizes  
*No documented report, Bill of Material, print, or chemical specifications supplied by Keith*
  - b. incoming inspection procedure for material  
*No documented procedure supplied by Keith*
  - c. handling and storage requirements for materials, conditioning if necessary  
*N/A*
  - d. lot traceability procedure for materials  
*N/A*
2. Process
  - a. complete processes specification for producing PVC cards at  $.038^{\circ}\pm .004^{\circ}$  with a surface flatness (1 side) of  $<0.0005^{\circ}$  at less than 40 minutes per cycle.  
*Process supplied yielded 0.046" to 0.048" at less than 30% yield for electrical and cosmetic quality*
  - b. PVC lamination process to achieve flatness or combination of PVC lamination and post-process cold lamination (or gluing) of PVC top, printable layer  
*Not Attempted*
  - c. process to be developed with final outcome of using 4 cassette books and 5-12 layers per book  
*Done*
  - d. Quality control process for documentation of lamination process on each lot with future traceability  
*N/A*
  - e. Data compiled for flatness vs. material and process used  
*Not Done*
3. Equipment/Monitoring Equipment/Test Equipment
  - a. Procedure for lamination press operation  
*No written procedure supplied by Keith*
  - b. Static discharge equipment requirement for laminated sheets  
*No requirements document supplied for Keith*
  - c. Specifications for cassette design, mirror plate weigence, press pads, and press plates  
*Some specifications supplied but process was a moving target. MI could not source over \$10,000 worth of tooling for an unstable process*
  - d. Process monitoring tooling needed for tracking of lamination performance to lot  
*N/A*
  - e. Specification and setup of test equipment on laminated product  
*Not Done*
  - f. Preventive maintenance specification for lamination equipment and tooling  
*Not Done*
4. Product



Motorola / Indala...Ken Thompson

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- a. Manufacture of ISO format card with embedded electronic RFID's to a surface flatness of 0.0005" for dye sublimation printing  
*Process given to Motorola Indala after 5 weeks of development yielded below 24% on runs of over 4,000 card sites. Evolving process, materials, and tooling did not allow sufficient time within the 4 weeks to produce a stable, or acceptable process.*  
 b. Production of >10,000 cards using process, tooling, and material identified within 4 weeks along with all above items to receive bonus amount of \$1,500.00

*Process given to Motorola Indala after 5 weeks of development yielded below 24% on runs of over 4,000 card sites. Evolving process, materials, and tooling did not allow sufficient time within the 4 weeks to produce a stable, or acceptable process. Motorola Indala does not consider the 24% yield to be a "production process". Due to unstable process development, MI would not commit to >\$10,000 worth of tooling until a "production process" was identified.  
 During those 4 weeks, the laminating press was inoperable for 3 days and Keith missed a total of 2.5 days of work. \$1,500 was issued to Keith for the 5th week of work. \$375 was issued to Keith on P.O.#950747 dated 6/22.*

Signed: Keith Leighton \_\_\_\_\_ Date: \_\_\_\_\_

Ken Thompson \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT 12**

Keith Leighton  
2817 Fulmer Rd.  
Lorain, Ohio 44053

February 13, 1997

Grace O'Malley  
MOTOROLA

Fax 847-576-2111

SUBJECT: UNIQUE HOT LAMINATION MANUFACTURING METHOD TO PRODUCE PVC CARDS HAVING A THICKNESS OF .028"-.032" AND A SMOOTH GLOSSY FINISH OF .0005" ON BOTH SIDES OF THE CARD TO RECEIVE DYE SUBLIMATION PRINTING AND A FLUSH MAG STRIPE - A RFID CONTACT/CONTACTLESS SMART CARD

Dear Grace:

Thank you for taking time to talk with me about my technology on the above subject contact/contactless RFID smart card - COMBICHIP.

I am a plastic card consultant - a knowledgeable innovative professional with over 40 years of progressive experience. Please review my resume.

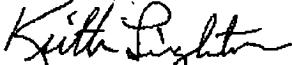
In 1995 I developed a plastic radio frequency identification card for Motorola in San Jose, California. This proximity card is now being manufactured by your company. Now I am interested in making the subject card for you. I have a patent pending on this card and am very excited about it.

- \* I would use PVC with up to 30, or more, cards per sheet and can use 12 sheets, or more, per opening in the laminator.
- \* The card can have multi color offset printing on each side under overlaminant film.
- \* The card can have a flush mag stripe applied with overlaminant sheets multi up or can be applied individually.
- \* I can apply dye sublimation printing on the cards.

Since I left San Jose I have developed a method to make a ISO RFID smart card and have a "perfect" prototype to show. I have a patent pending on this card.

I look forward to a meeting to discuss our mutual goal in the manufacture of subject COMBICHIP smart card.

Sincerely,



Keith Leighton  
Fax: 216-960-2335

PS: Per your request, I am sending my resume

**EXHIBIT 13**

MAR-28-97 13:45 From:MOTOROLA CMRC

+18475762111

T-764 P.01/01 Job-748

**MOTOROLA****FAX MESSAGE TRANSMITTAL****CORPORATE MANUFACTURING RESEARCH CENTER**1301 East Algonquin Road, Room 1014  
Schaumburg, Illinois 60196 U.S.A.DATE: **03/27/97**

(including this cover sheet...)

NUMBER OF PAGES:

**1**FROM: **Grace O'Malley**FAX#: **847-576-2111**PHONE: **847-576-0807**TO: **Keith Leighton**(Cmpny. /  
Departmt.)FAX#: **216 960 2335**

PHONE: \_\_\_\_\_

Keith,

Thank you for the recent communications on your consulting experience. I apologize for not getting back to you sooner, but I did not have an opportunity to speak with Ken Thompson until quite recently. As I mentioned in our initial conversations, all development work is being conducted internally presently and as such we are not in position to work with you at this time. I do thank you for your interest and ask you to keep us up to date on any other areas that you may think are beneficial to this work in the future.

Regards,

A handwritten signature that reads "Grace O'Malley" over "Grace O'Malley".

**EXHIBIT 14**

October 22, 1999

TO: Matt Winter  
Director of Manufacturing  
Motorola's Worldwide Smartcard Solutions Division

FROM: Keith Leighton  
President  
Leighton's Smart Cards and Systems, Inc.

SUBJECT: PHONE CONVERSATION OCTOBER 20, 1999 REGARDING  
PATENTS ON SMART CARD TECHNOLOGY

Dear Matt:

Thank you for your interest in my smart card technology and your request for more information about my patents.

CONTACTLESS RFID CARD AND HOT LAMINATION PROCESS FOR  
THE MANUFACTURE OF RADIO FREQUENCY IDENTIFICATION CARDS

I am faxing you today the abstract on this patent, number 5,817,207. This patent was issued 10-17-98. My Provisional Patent Application is dated 10-17-95. I would like a license agreement with Motorola to manufacture this card in U.S.

HOT LAMINATION METHOD TO MANUFACTURE THE COMBINATION  
CONTACT/CONTACTLESS SMART CARD MEETING ISO STANDARDS  
AND CAPABLE OF RECEIVING DYE SUBLIMATION PRINTING

This patent has been allowed by the U.S. Patent Office and is a continuation of patent number 5,817,207. It is for sale.

ULTRA-THIN FLEXIBLE DURABLE RADIO FREQUENCY IDENTIFICATION  
DEVICE AND HOT LAMINATION PROCESS FOR THE MANUFACTURE OF  
ULTRA-THIN FLEXIBLE DURABLE RADIO FREQUENCY IDENTIFICATION  
DEVICE

I have a patent pending for the manufacture of this device, and I have successfully made a beautiful prototype. This RFID is very thin and can be made in many shapes and sizes and has a superior outer surface (matte or glossy) so that it may receive all types of printing. I am ready to give a license agreement to manufacture this RFID.

OTHER PATENTS PENDING

I have other patents pending. I am reluctant to discuss them at this time.

Page 2 October 22, 1999

TO: Matt Winter  
FROM: Keith Leighton

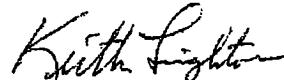
September's CARD TECHNOLOGY magazine is very informative, especially the great story "Transit Smart Cards Are Ready To Roll" about the ERG-Motorola alliance and their success. I am very impressed.

Very soon the North American smart card boom will hit. Therefore, I am anxious to give license agreements to card manufacturers so that they may use my patented contactless and contact/contactless smart card technology. My contact/contactless smart card patent is for sale; however, I will consider a license agreement to manufacturers. I expect to be justly compensated by those using my patented technology. A lot of time, effort and money was invested in these patents.

If you would like more information regarding the above, you may contact my patent attorney, Mark Watkins, who is with OLDHAM & OLDHAM CO., L.P.A. His phone number is 330-864-5550. Also, a bilateral NDA should be signed.

I look forward to hearing from you.

Cordially,



Keith Leighton  
Phone: 440-960-1697  
Fax: 440-960-0013

KL:1

**EXHIBIT 15**



MOTOROLA

Intellectual Property  
Law Department

Oldham & Oldham  
1225 W. Market Street  
Akron, OH 44313

Attention: Mark Watkins

April 25, 2000

Via Facsimile  
330-864-7986

## Re: U.S. Patent No. 5,817,207

Mr. Watkins:

I write you on the behalf of Motorola, Inc. I am currently in receipt of a fax transmittal dated June 16, 1999 in which Mr. Keith Leighton contacted my office regarding the existence of patents relating to RFID cards and Hot Lamination Processes. In that letter Mr. Leighton makes reference to U.S. Patent No. 5,817,207 (207). Motorola has taken this matter under advisement and is in the process of evaluating the 207 patent to determine its applicability, if any, to products and services offered by Motorola. As you are no doubt aware, an analysis of this type entails a fairly complex technical review. While I ask for your patience, be assured, our intent is to move deliberately on this issue and pursue a course designed to respect the intellectual property rights of your client.

My client is interested in reviewing the terms under which Mr. Leighton is willing to proceed with a sale and/or license of his intellectual property. To assist in the determination, will you please provide me with a listing identifying Mr. Leighton's relevant intellectual property and the terms and conditions for the license and/or sale of same.

Upon receipt of the requested information and completion of our intellectual property analysis, I am prepared to meet with you and your representatives at a mutually agreed upon time and place to continue this discussion. I thank you in advance for your assistance and await your response.

Regards,

K. Cyrus Khosravi  
Patent Counsel  
Corporate Law Department

1301 East Algonquin Road, Schaumburg, Illinois 60195 • (312)576-2681 • Fax No. (312)576-0721

**EXHIBIT 16**

**OLDHAM & OLDHAM CO., L.P.A.**

INTELLECTUAL PROPERTY LAW  
AND LITIGATION MATTERS

EDWIN W. (NED) OLDHAM  
SCOTT M. OLDHAM  
MARK A. WATKINS  
STEPHEN L. GRANT  
CRAIG E. MILLER  
R. ERIC GAUM  
ROBERT J. CLARK  
ALEXANDER D. SOMMARITO  
JILL T. GRANT

TWIN OAKS ESTATE  
1225 WEST MARKET STREET  
AKRON, OHIO 44313-7188  
(330) 864-5550  
FACSIMILE (330) 864-7986  
<http://www.oldhamlaw.com>



ALBERT H. OLDHAM (1902-1974)  
VERN L. OLDHAM (1912-1988)

OF COUNSEL  
BRUCE H. WILSON  
LOUIS F. KREEK, JR.

PATENT AGENTS  
JOHN D. OLLONG, Ph.D.  
ERYN R. ACE

October 17, 2000

**VIA FACSIMILE No. 1-847-576-0721**

Total Pages: 1

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K. Cyrus Khosravi  
Patent Counsel  
Corporate Law Department  
MOTOROLA  
1301 E. Algonquin Road  
Schaumburg, IL 90196

Dear Attorney Khosravi:

Over the past several months we have spoken on a couple of occasions concerning my client's patented technology relating to the hot lamination process for manufacturing various smart cards. At the time of your initial letter in April 2000 (copy enclosed) you were aware of U.S. Patent No. 5,817,207. Since that time, Mr. Leighton has received a second patent (U.S. Patent No. 6,036,099) relating to his process for manufacturing contact/contactless cards. PCT applications as well as additional U.S. applications (continuations of their parents) remain pending at this time.

In your letter of April 25, 2000, you indicated that Motorola was in the process of determining the applicability of this technology to Motorola's product line. The purpose of this letter is to inquire as to the status of this determination and/or any conclusions which Motorola reached in the course of its review. Those individuals within this particular division of Motorola are no doubt aware of Mr. Leighton's work, as he has previously provided consulting services for Motorola with regard to smart card manufacturing. In our last phone conversation, you suggested that Mr. Leighton might have an opportunity to make a formal presentation to Motorola. Mr. Leighton would be most interested in this opportunity, assuming that Motorola has made the determination that it is interested in his patented technology.

I look forward to hearing from you at your earliest possible convenience.

Best regards,

Cordially,

Mark A. Watkins  
[watkins@oldhamlaw.com](mailto:watkins@oldhamlaw.com)

MAW/ljn  
Enclosures

**EXHIBIT 17**



January 8, 2002

Mr. Keith R. Leighton  
Printing Technical Consultant  
2817 Fulmer Road  
Lorain, OH 44053

Re: Licensing Opportunity  
US Patent No.: 6,036,099

Dear Mr. Leighton:

A copy of your patent and business card received by Motorola has been forwarded to me for processing.

Upon review of your patent, Motorola respectfully declines to pursue any licensing discussions at this time as it has exited the business.

Thank you for thinking of Motorola in connection with this opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary J. Cunningham".  
Gary J. Cunningham  
Senior Counsel  
Motorola, Inc.

Law Department  
1301 East Algonquin Road, Schaumburg, Illinois 60196  
Tel: (847) 576-1974 Fax: (847) 576-0721

Trial Counsel's Eyes Only

L06501

**EXHIBIT 18**



August 6, 2003

VIA FACSIMILE AND MAIL

Neil G. Cohen  
Assistant General Counsel  
General Patent Corporation International  
Montebello Park  
75 Montebello Road  
Suffern, NY 10901

Re: Hot Lamination Patent Portfolio  
Your Ref. No.: LT03010

Dear Mr. Cohen:

Your letter dated July 21, 2003 to the General Counsel of Motorola, Inc. has been forwarded to me. You may direct any future correspondence on this matter to my attention.

You mention in your letter that you had an opportunity to review publicly available information concerning plastic cards that Motorola supposedly manufactures. I'm not sure what information you are reviewing, but Motorola does not currently manufacture plastic cards. To the extent you are referring to Smart Cards, Motorola has sold or otherwise divested of those businesses.

I will assume this letter closes the matter unless I hear back from you otherwise. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "TVM".

Thomas V. Miller  
Senior Patent Counsel

TVM:ma

Corporate Offices  
1303 E. Algonquin Road, Schaumburg, IL 60196 \* Phone: (847) 538-7103 \* Fax: (847) 576-3750

**EXHIBIT 19 IS BEING FILED UNDER SEAL PURSUANT TO  
THE PROTECTIVE ORDER ENTERED IN THIS CASE ON AUGUST 20, 2004  
BECAUSE IT CONTAINS CONFIDENTIAL INFORMATION**

**EXHIBIT 20 IS BEING FILED UNDER SEAL PURSUANT TO  
THE PROTECTIVE ORDER ENTERED IN THIS CASE ON AUGUST 20, 2004  
BECAUSE IT CONTAINS CONFIDENTIAL INFORMATION**